MONTANA'S SPECIALTY CROP BLOCK GRANT

Helping Montana's specialty crop producers

How does this work? What is eligible?

INTRODUCTION

MISSION STATEMENT

▶ The mission of the Montana Department of Agriculture (MDA) is to protect producers and consumers, and to enhance and develop agriculture and allied industries.

TIMELINE

- Grant Proposal
  - **February 16, 2015**: Invitation to Submit Grant Proposals
  - **April 8, 2015**: Grant Proposals Due
  - **July 2015**: Grant Proposals to USDA for Approval

- Award
  - **October 2015**: Announce & Award Funding

What type of projects are allowable?

PROJECT SCOPE

SPECIALTY CROP PROGRAM

▶ <u>Solely</u> to enhance the competitiveness of specialty crops <u>in Montana</u>.

▶ For a more comprehensive list

 ▶ Visit http://www.ams.usda.gov/scbgp
 ▶ Click on "What are Specialty Crops?"

NON SPECIALTY CROPS

▶ If your project has the potential to benefit non specialty crops

▶ Describe the methods or processes you will implement to verify all grant funds are expended on activities and costs that only enhance the competitiveness of eligible specialty crops.

PRODUCTS BENEFITED

► Eligible plants must be cultivated or managed and used by people for food, medicinal purposes, and/or aesthetic gratification to be considered specialty crops.

► Processed products shall consist of greater than 50% of the specialty crop by weight, exclusive of added water.

UNALLOWABLE ACTIVITIES

▶ Grant funds may not be used to fund political activities in accordance with provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7321-7326).

▶ Development or participation in lobbying activities pursuant to 31 U.S.C. 1352 including costs of membership in organizations substantially engaged in lobbying are unallowable.

▶ Grant funds shall supplement the expenditure of State funds in support of specialty crops grown in that State, rather than replace State funds.

What will cause an application to be removed from competition?

PASS/FAIL CRITERIA

COMPLETENESS

Questions

▶ Are all required materials included in the application?

▶ Are all sections of the proposal complete?

Answers

▶ Fill out the whole application.

▶ Be sure you are responsive to the question.

▶ If you have questions, ask them.

ELIGIBILITY

Questions

▶ Is the applicant's organization eligible to apply?

▶ Is the applicant suspended or debarred from receiving funds?

Answers

▶ Are you registered with the Secretary of State?

   ▶ https://app.mt.gov/bes/

▶ Are you, or any staff on the grant, listed on:

   ▶ https://www.sam.gov/ OR

   ▶ http://gsd.mt.gov/procurementservices/debarredsuspendedvendors

COMPLIANCE

Question

▶ Is the application in compliance with applicable federal and state regulations and in alignment with this notice?

Answer

▶ Make sure you read the Grant Proposal Manual

▶ If you are unsure contact MDA

GOOD STANDING

Question

- ▶ If a current SCBG grantee, are all invoicing and reporting current?
- ▶ If a previous grantee, has the organization successfully completed past projects?

Answer

- ▶ If you've had trouble, explain what you have done to fix it
- ▶ No one is disqualified for life

What is allowable? Where do I get more information?

FEDERAL FUNDS

FINANCIAL MANAGEMENT

▶ Grantee must be capable of proper financial management:

- ▶ Documenting expenses
- ▶ Invoicing
- ▶ Managing project budget
- ▶ Allowable vs unallowable costs

▶ The grant will be a reimbursement, except for in special cases requiring advance payment; ability to cash-flow will be vital.

COST PRINCIPLES (2 CFR § 200.400)

▶ **Reasonableness (including necessity)**. A cost is reasonable if, in its nature or amount, it does not exceed that which would be incurred by a prudent person

▶ **Allocability**. A cost is allocable to a specific grant, function, department, or other component if the goods or services involved are chargeable or assignable to that cost objective in accordance with the relative benefits received.

▶ **Consistency**. Recipients and subrecipients must be consistent in assigning costs to cost objectives and must treat costs consistently.

ALLOWABLE COSTS

- Advertising and Public Relations
- Advisory Councils
- Special Purpose Equipment
- Compensation for Personnel Services
- Communication Costs
- Foreign travel
- Materials and Supplies

- Meetings and Conferences
- Proposal costs
- Publication and Printing Costs
- Reconversion
- Rental Costs of Buildings and Equipment
- Training Costs
- Travel Costs

UNALLOWABLE COSTS

- Advertising and Public Relations
- Alcoholic beverages
- Bad debts
- **General Purpose** Equipment
- Contingency Provisions
- Donated Services
- Donations and Contributions
- Entertainment

- Excessive Airfare Costs
- Fines and Penalties
- Fundraising
- Goods or Services for Personal Use
- Investment Management Cost
- Lobbying
- Political Activities

BUDGET ITEMS

▶ Personnel

  ▶ The duties must be directly related to the project plan.

▶ Travel

  ▶ Follow Montana State Travel Policy

▶ Contractors

  ▶ Be sure to use a competitive contracting process

  ▶ Follow rates allowed in GS-14, Step 10

▶ Indirect Costs

  ▶ Not allowable

EQUIPMENT 2 CFR §200.439

▶ *Equipment* means tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost that equals or exceeds $5,000 per unit

▶ *Not Allowable: General purpose equipment* means equipment which is not limited to research, medical, scientific or other technical activities.

▶ *Allowable: Special purpose equipment* means equipment which is used only for research, medical, scientific, or other technical activities.

PROGRAM INCOME 2 CFR §200.307

- May be:
  - income from fees for services performed
  - the sale of commodities or items fabricated under an award
  - registration fees for conferences, etc.

- Be sure to:
  - Indicate the nature or source of program income (e.g., registration fees).
  - Estimate the amount of program income.

PROGRAM INCOME

▶ If program income is anticipated, it must be tied back into the project.

▶ Program income may only be expended on allowable costs that solely enhance the competitiveness of specialty crops.

▶ If you earn program income that you did not anticipate, it gets more complicated.

What can a grantee expect? What is required of grantees?

POST AWARD

GRANTEES MUST

▶ sign a Grant Award Agreement with the MDA;

▶ regularly report on grant activities and financials;

▶ manage the grant financial records and documentation; and

▶ complete the project.

PROJECT MANAGEMENT

▶ Grantee must commit to and complete the project

▶ Grantee must comply with federal requirements

▶ Amendment request required for
  ▶ Scope of work changes
  ▶ Budget changes

▶ Notify MDA of any problems or delays

▶ Be careful of program income

GRANT MANAGEMENT MANUAL

- Covers the DOs and DON'Ts of grant management

    - Financial management

    - Project management

    - Reporting requirements

- Found at
agr.mt.gov/agr/Programs/Development/GrantsLoans/SCBG/Grantee_Resources.html

AUDITS & COMPLIANCE

▶ Grantees will be subject to annual compliance reviews to

  ▶ Determine whether measurable outcomes are being met

  ▶ Evaluate accomplishments

  ▶ Review financial records and documentation

▶ Documentation may include

  ▶ Timesheets and payroll records

  ▶ Travel logs that document mileage

  ▶ Invoices and receipts for operating costs, lodging, and meals

▶ More information

  ▶ http://agr.mt.gov/_downloadGallery/SCBG/Audit_and_Compliance_Guidance.docx

CONTACT

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agr.mt.gov/agr/Programs/Development/GrantsLoans/SCBG

QUESTIONS?

TECHNICAL ASSISTANCE

- April 1, 10:00 AM MST
  - Applying in Webgrants

  https://global.gotomeeting.com/join/681296021

  - Toll Free 1 877 309 2073
  - Access Code 681-296-021